

Report No.1

Report to Town Council 19th December 2017

Draft Budget 2018/2019

1. Purpose of the report

- 1.1 To advise the Council of the draft budget for the year 2018/2019 approved by the Policy and Resources Committee on 5th December 2017 and recommended for acceptance by the Town Council.

2. Background

- 2.1 Each year the Town Council is required to identify the level of expenditure anticipated to be incurred during the forthcoming financial year.
- 2.2 The level of such expenditure, less any anticipated income, is divided by the number of Band D equivalent properties using the number provided by Wiltshire Council to give a level of Council Tax for a Band D property within Malmesbury Town.
- 2.3 In recent years the effect of the localisation of council tax support has been impacting upon the budget of the Town Council although Wiltshire Council previously reduced the impact by passing on grant support provided by the Department of Communities and Local Government.
- 2.4 The grant arrangements have now ceased to exist.
- 2.5 The level of Band D equivalents for 2018/2019 has been increased from 1958.85 to 2120.98.
- 2.6 The reasons for the increase in Band D equivalents not being as high as anticipated could be due to more properties claiming for discounts, most commonly an increase in the number of properties claiming single occupancy discount. Other factors include homes being demolished, becoming empty, becoming second homes or a change in the overall collection rate.

3. Proposal

- 3.1 A draft base budget for the next financial year has been compiled taking into consideration the proposals put forward by the committees and known inflationary increases.
- 3.2 The draft budget was amended and approved by the Policy and Resources Committee with a recommendation for adoption by the Town Council.
- 3.3 The Policy and Resources Committee considered all the projects submitted by committees together with those falling within its area of responsibility.
- 3.4 The projects approved and where expenditure is proposed to come from the precept include the following:

Fees for the refit of the Tourist Information Centre	C&TP
Redesign of the website	C&TP
Soundproofing for cinema projector	TH&F
Fees for new access to stage	P&R
Fees for works to Town Hall	P&R
Alterations to heating system in Town Hall	P&R
Stage lighting (part)	P&R

- 3.5 The Town Council has been receiving payments of Community Infrastructure Levy in respect of developments within the town and these funds need to be expended on suitable projects within five years after receipt by Wiltshire Council.
- 3.6 Financially it is more prudent to first use the CIL receipts to fund appropriate projects rather than the Town Council reserves and the policy and Resources Committee identified the following as being suitable for being undertaken next year. The committee recommend to the Town Council that funds be allocated accordingly from the CIL payments received which amount to a total of £45,289.04:

Whychurch Hill	P&E
Burnham Road	P&E
Triangle	P&E
Cemetery ecology project	C&TP
Adult gym	TH&F
Stage lighting (partial)	P&R

- 3.7 The total expenditure, less income, proposed by the Policy and Resources Committee is £427,346 plus a total of £44,200 from received Community Infrastructure Levy.
- 3.8 The current level of Council Tax charged by Malmesbury Town Council is £194.51 for a Band D property and this year the stated number of Band D equivalents is 2,120.98. A rise of 162.13 over the current year.
- 3.9 The consultation paper issued last autumn by the Secretary of State indicated that a rise of up to 2% or £5, whichever is the higher, would not trigger a referendum. No further clarification has been received about whether the referendum rules will be applied to Town and Parish councils this year when setting a budget for the next financial year.
- 3.10 In order to fund proposed expenditure the Policy and Resources Committee recommends a rise in Council Tax of £5 on a Band D property resulting in the charge being £199.51, a rise of 2.57% to provide £423,156.71 with £4,189.29 being taken from reserves.
- 3.11 Wiltshire Council require the agreed level of the Town Council's precept to be notified to the relevant department by 19th January 2018.
- 3.12 At a recent presentation by the Deputy Leader about the budget pressures facing Wiltshire Council comment was made about withdrawal from centrally funded services and looking to towns and parishes to provide locally delivered and paid services such as street cleaning.
- 3.13 There is currently insufficient information available to forecast the level of resources required to accommodate para 3.12 but the Town Council needs to be aware of the potential changes to the way in which services may be delivered in future.

4. Financial implications and risks

- 4.1 This report provides background to assist on making a financial decision.
- 4.2 The Secretary of State has not released any further information about the prospect of capping the level of increase levied by Town and Parish Councils.

5. Recommendations

- 5.1 Members are requested to consider the recommendation of the Policy and Resources Committee, agree a budget for the next financial year and the level of Council Tax to be charged by the Town Council.

Jeff Penfold
Town Clerk
6th December 2017